

SUMMARY OF CHANGES

Note: Vertical revision bars " | " are used in the margin of the Circular to highlight new requirements and significant changes.

Section No.	Change
204.	Clarifies the definition of reappropriations.
20.7	Simplifies the discussion of offsetting collections and offsetting receipts.
25.5	Consolidates requirements previously included in several separate sections (old sections 51, 55, 84, and 100) and provides electronic links to the instructions. Requires agencies to submit activity-level homeland security and overseas combating terrorism information with their initial submission. Requires agencies to submit overseas staffing information with their initial submission (previously section 58). This information is requested as part of the President's Management Agenda on rightsizing overseas presence and will be published as part of the budget documents.
26	This new section compiles and links to guidance about the integration and use of performance information, including the statutory requirements of the Government Performance and Results Act (GPRA), the President's Management Agenda, and the use of the Program Assessment Rating Tool (PART).
31.9	Requires information on the cost of managing competitive sourcing initiatives.
31.11	Provides guidance on human capital management.
32	Drops the requirement to report on the impact of fully accruing employee pensions and annuitant health benefits.
32.4	Provides information on how prior year FTE figures are obtained.
32.5	Provides additional guidance on FTE accounting for military personnel.
32.9	Includes guidance on personnel benefits, previously included in section 33.
33	Drops the requirement to provide information for the national security crosscut. Moves data requirements related to aircraft and motor vehicles to section 25.
35	Section has been incorporated into sections 20, 86, and 130.
51.2, 51.7, 220	Agency budget submissions should be in the form of a "performance budget" to the greatest extent possible. The "performance budget" submission will replace the performance plan required by the Government Performance and Results Act.
51.3	Requires agencies to provide a breakout of resources for IT expenditures.
51.9	Updates guidance on program evaluation.
52	Drops the requirement to report on material weaknesses and nonconformances.
53, 300	Changes all terminology from IT "management" to "investments." The term IT investments includes projects, systems, IT workforce, and initiatives.
53.2	Adds information on the Federal Enterprise Architecture, its use during the agency budget formulation process, and the overall FY 2005 Budget process.

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53.3	Reflects the enactment of the Federal Information Security Management Act and the E-Government Act of 2002.
53.4	Requires submission of agencies' initial drafts of exhibit 53.
53.5	Adds information on attendant documents and their requirements.
53.7	Modifies definition and provides criteria for identifying systems as "Major IT Investment" or "Non-Major IT Investment."
55	Requirement for information on energy and transportation efficiency management is covered in section 25.5; section 55 has been eliminated.
56	Drops the requirement for information on drug control programs; section 56 has been eliminated.
57	Drops the requirement for information on erroneous payments; section 57 has been eliminated.
71	Moves guidance on alignment of budget accounts and programs to sections 51 and 82.
80.8	Incorporates requirement for information in support of baseline estimates previously included in section 100.
81.3	Drops sequestrable/exempt and user charge classifications from MAX.
81.4	Drops memorandum entries for the cost of fully accruing retirement costs; drops the requirement for to report limitations for direct and guaranteed loans.
82.1	Removes ability to override generated subtotals and totals.
82.2	Clarifies the reporting of obligations for program activities and provides non-add performance activity lines within a program that finance specific performance metrics.
82.3	Adds a line to schedule P for reporting extensions in the availability of expired funds that are not reported as reappropriations. Identifies the schedule P lines that are automatically copied to schedule N. Instructs agencies to report transfers from mandatory to discretionary accounts on corresponding lines. Clarifies the treatment of reappropriations.
82.7	Adds memorandum entries for obligated and unobligated balances of contract authority.
82.8	Simplifies the presentation of rescissions and reductions of budget authority and distinguishes between temporary and permanent reductions.
82.20	Requires additional lines in schedule P to tie to amounts reported in FACTS II.
84	Moves requirement for information on research and development performed by colleges and universities and allocation of research funds to section 25.
84.3	Drops the projection of budget authority and outlays beyond the budget year, except for grant outlays, which will continue to be projected to BY+9.
84.4	Updates definitions of National Science and Technology Council crosscuts.
85	This new section describes performance metrics that will be published in the budget. In conjunction with other changes in the program and financing schedule, the new MAX schedule (V) will help provide a framework to better link cost and performance data.

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86	Drops the schedule on the status of contract authority (schedule I).
86.1	Drops the commercial versus inherently governmental distinction in the personnel summary (schedule Q).
86.2	Drops the statement of operations (schedule E). Drops CY and BY data from the balance sheet (schedule F). Balance sheets are required for Government-Sponsored enterprises, financing vehicles, and credit accounts; they are optional for other funds.
86.5	Drops requirement for certain accounts to submit status of funds data (schedule J).
86.6	Schedule N will be refreshed each time the related accounts are uploaded and downloaded, rather than as part of the overnight production cycle. Drops offsetting collections from the schedule on unavailable receipts (schedule N). Clarifies how MAX calculates the "appropriation, net" lines in schedule N.
95	Consolidates requirements previously included in sections 95, 96, and 97. Drops the analysis of programs financed by multiple budget accounts.
100	Drops the requirements for information on motor vehicles, relocation expenses, and international travel; section 100 has been eliminated.
110	Drops the requirement to provide revised MAX schedules for supplementals and amendments.
112.19	Clarifies the description and title of SF 132 line 6B consistent with Appendix F.
113	Contains information on investments previously included in section 20.12 and 122; those sections have been eliminated.
120.1-120.2	Expands the purpose of apportionment. The process is now used to identify meaningful program reporting categories that agencies will report their obligations against when submitting budget execution reports.
120.3	Apportionments are made at the Treasury appropriation fund symbol (TAFS) level.
120.8	Clarifies the descriptions of apportionment categories to state that one TAFS may potentially have anywhere from a single category B apportionment to dozens of category B apportionments.
120.26	Requires agencies to use only the formats described in section 121.5.
121.2-121.9	Describes how to use program reporting categories.
121.5	Describes the columns used on the SF 132 and letter apportionment Excel spreadsheets. Shows a new column, line split, to be used to distinguish between two or more amounts that you would normally report on a single line.
121.10	Clarifies the treatment of extensions of the availability of unobligated balances.
122	Moves instructions on investment transactions for budget execution to section 113.
145.6	Adds information on anticipated budgetary resources.
185.8	Provides guidance on sales of performing loan assets.
185.10	Drops outlay lines for reestimates in schedule U.

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Section No.	Change
220	Agencies' performance budgets will include information from the PART assessments, where available, and all performance goals used in the assessment of program performance done under the PART process.
300	Adds information on the Federal Enterprise Architecture, its use during the agency budget formulation process, and the overall FY 2005 Budget process.
300.9	Requires one business case for office automation, infrastructure, and telecommunications; requires that all exhibit 300s be in XML. Describes the requirements for multi-agency business cases.
800	Drops the section on managing physical and financial assets.
Exhibit 300	Adds PART review questions; adds government FTE to the summary of spending.
Appendix B	Clarifies that the impact of changes to existing operating lease contracts needs to be evaluated against the criteria for operating leases. Fair market value will not include the value of features or enhancements that were built or added for the Government's unique needs or special purposes. Such features should be financed up-front, separate from the lease. Lease-backs from public/private partnerships with substantial private sector participation will be presumed to be capital leases; public/private partnerships without substantial private sector participation will be considered governmental for purposes of the budget. When determining whether a lease contains a bargain-price purchase option, the purchase price includes the value of any rebates or income to the Government resulting from its purchase of the asset. The assumptions used to perform lease analyses are subject to OMB approval.
Appendix E	Removes three of the six diagnostic reports included in last year's A-11. The reports have been converted to MAX edit checks.
Appendix J	Renumbers former Appendix 300A.
Appendix K	Renumbers former Appendix 300B. Initial submissions of budget justification and other materials are due September 8, 2003. OMB plans to lock prior year data in MAX by the middle of December.